



KEWEENAW RESPONDS TO DIRECTOR NOMINATIONS FROM CORNWALL CAPITAL

Company Provides Business Strategy Update

IRONWOOD, Mich., Feb 20, 2018 – Keweenaw Land Association, Limited (“Keweenaw” or “the Company”) (OTC Pink: KEWL) today confirmed that it has received the notice of nomination for three candidates that Cornwall Capital Management LP (“Cornwall”) has put forward in advance of the Company’s upcoming Annual Meeting of Shareholders (“Annual Meeting”).

Brian Glodowski, President and CEO, stated: “Keweenaw has a demonstrated track record of being open to constructive feedback from shareholders and respects their right to nominate directors. However, after carefully reviewing the experience and qualifications of Cornwall’s nominees, the Company has determined that it is not in the best interests of shareholders to elect these nominees to the Board of Directors (the “Board”).

Keweenaw remains focused on examining all possible approaches to maximizing shareholder value. However, our board and management team are confident in our current strategy – including our previously announced REIT conversion – which is placing the Company on the right path to long-term value creation. Further, it is important to note that two Cornwall representatives already sit on the Keweenaw Board. If these three additional nominees were elected, Cornwall would effectively gain control of the Company. We believe maintaining a diverse set of experience and skillsets in the Boardroom is critical to creating and implementing the optimal path forward for Keweenaw and all of its shareholders, and that our current board is well-suited to achieve this optimization.”

Consider the following points:

- **Keweenaw is deeply engaged in exploring strategic initiatives designed to increase shareholder value, maximize cash flows and better position the Company for future success.**
 - In 2017 the Company engaged Stifel, a highly-qualified investment bank, to explore the possibility of a sale. Ultimately, the Board concluded that the proposed offers presented did not reflect the true value of the Company and would have netted to shareholders less proceeds than the lowest stock price over the last 12 months.
 - This result was due in part to the imbedded capital gains the Company has created over the past 25 years.
 - As a result, Stifel and the Company suspended the sale process for the time being and the Company has focused on implementing additional elements of a strategic plan to create long-term shareholder value, including:
 - Plans to convert to a REIT effective for the 2018 tax year, which will result in an increased ability to distribute earnings from the sale of timber in a tax efficient manner while also eliminating built-in gains on timberlands within the next five years;
 - Reviewing the Company’s cost structure;
 - Pursuing the potential sale of a conservation easement on recently acquired lands in Wisconsin, which will allow the Company to monetize the bare-land / development values of properties;
 - Continuing efforts to creatively monetize non-core assets.

- Keweenaw has pursued a growth strategy of adding productive timberlands and divesting of lower quality lands and HBU properties.
 - As part of this strategy, Keweenaw has secured a line of credit in order to make larger transactions that provide scale to the operations taking place.
 - Additionally, the Company has focused on consolidating ownership blocks to lower overall management costs.
- Keweenaw's 2018 budget reflects a higher harvest level as a result of the revised inventory plus acquisitions.
- **Keweenaw has exhibited record financial performance, with a timber harvest totaling four times what it was 25 years ago.**
 - 2017 was a record year for timber harvest levels, and this achievement has continued to be the case in 2018.
 - In the final three months of 2017, the Company sold logs totaling \$3,375,908 – a 7% increase in timber sales compared to the same period in 2016.
 - Full Year 2017 EBITDA excluding non-recurring items would have totaled \$2.02 million, a 39% increase over 2016.
 - In 2017, Keweenaw completed a comprehensive timber cruise, performed by a third-party forestry consulting firm. Results indicated that the Company has higher standing timber volumes than previously recognized because the timber is growing faster than growth models had indicated.
 - The total standing timber volume was approximately 25% higher than current internal forest growth and yield models were projecting.
 - Based on these results, the Company is positioned to materially increase future annual harvests.
- **Keweenaw's Board has demonstrated that the Company is willing to engage with and work collaboratively with shareholders.**
 - Keweenaw values open communication and transparency with all stakeholders.
 - Unlike its peers, Keweenaw conducts an independent third party appraisal of its timberlands every three years and then publishes the results to assist shareholders in understanding the value the Company's timberland assets. This process has been standard practice at the Company over the last twenty years.
 - Keweenaw has engaged constructively with Cornwall in the past, reaching a settlement in 2016 to add designee Jan Loeb to the Board.
 - Both Jan Loeb and James Mai ("Jamie") are Cornwall designees on the Keweenaw Board and have been fully engaged in and aware of the strategic decisions occurring at the Company in the past year.
 - Both Cornwall designees were on the Board prior to and during the strategic review process and served on the Board's Strategic Review Committee.
 - Both Cornwall designees agreed that the offers received by Stifel were inadequate and recommended not to proceed with a transaction.
- **Cornwall's nominees do not have the industry knowledge and expertise necessary to create value at Keweenaw, and they are not aligned with the long-term best interests of all shareholders.**
 - If Cornwall's three additional nominees are elected, they would be joining the two existing Cornwall designees on the Board. Electing the Cornwall nominees would mean that Cornwall would have effective control of the Board.

- To put it another way, a timber company would have more financial engineering experts as directors than all other disciplines combined – including those with timber and/or forestry experience.
- Cornwall's nominees' skill sets are duplicative and do not bring differentiated expertise to the Board.
- Cornwall apparently believes that the firm's 26% investment in Keweenaw entitles them to having three current members of their fund, one former advisor and one other activist investor for a total of five out of nine members, or 56% of the Board.
 - Keweenaw believes this over-representation would be a disservice to all non-Cornwall shareholders, would effectively stifle independent voices and would amount to a takeover by Cornwall.
- While Cornwall's nominees may know financial engineering, they do not have a working knowledge of the timber business – and how it is valued – compared to the current Board, which is comprised of a broad and diverse background of timber industry experience including manufacturing, international forestry, real estate and Environmental-Social-Governance investment experience.
- Cornwall is not focused on long-term value for all shareholders, evidenced by the fact that they were buying stock partially based on their overly optimistic valuation of the Company; contributing to the share price being influenced by non-operating factors.

The current Keweenaw Board possesses the right mix of industry knowledge and experience to continue executing on strategic initiatives in place at the Company. Keweenaw's directors are aligned with the best interests of shareholders and are committed to protecting the investments of all Keweenaw shareholders.

About Keweenaw Land Association, Limited

Keweenaw is a forest products and land management company located in Ironwood, Michigan. Keweenaw has land holdings of approximately 185,500 surface acres and over 400,000 acres of mineral rights, located predominantly in the western Upper Peninsula of Michigan and northern Wisconsin. Keweenaw shares trade in the OTC Markets under the Pink directory with 1,301,550 shares outstanding.

Statements in this document may constitute "forward-looking" statements regarding Keweenaw and its business. Forward looking statements involve significant risks and uncertainties and are not representations as to or guarantees of future results. The risks and uncertainties include changes in general economic conditions generally or in the timber industry, disruptions in Keweenaw's business, program implementation delays, cost increases, expenses relating to the REIT conversion and proxy contest, capital needs, and other adverse factors. Actual events may cause results to differ materially from those contemplated in the forward looking statements.

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